legislation. The Working Group submitted its Report alongwith draft Offshore Areas Mineral (Development & Regulation) Bill in December, 1995. The report of the Working Group has been processed and further follow-up action in the matter has been initiated.

(c) The Government of India have adopted a number of measures for the development of the mining sector. These include: Announcement of the National Mineral Policy, 1993, opening up the mineral sector fully for private initiatives, both domestic and foreign: encouragement for induction of state-of-the-art technology; amendments to the Mines and Minerals (Regulation and Development) Act, 1957., in 1994; devolving more powers to the State Governments for the grant of Prospecting Licences and Mining Leases; issue of guidelines for grant of prospecting licences over large areas for aerial survey; delegation of powers to the State Governments for renewal of Prospecting Licences and for first renewal of Mining leases; liberalisation of the policy for foreign investment with automatic approval of investment proposals with foreign equity upto 50% (except for gold, silver, diamond and precious stones) and also case by case approval through Foreign Investment Promotion Board for foreign equity above 50% and for gold, silver, diamond and precious stones projects irrespective of foreign equity; rationalisation of royalty rates of minerals making it comparable with international rates; and setting up of a Committee under the chairmanship of Secretary (Mines) in February, 1997 to review the existing laws and procedures for regulation and development of minerals, which has since submitted its report and follow-up action on which has been initiated.

Irregularities in recruitments in NALCO

1665. SHRI SHIBU SOREN: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that CBI was entrusted with the responsibility to enquire into the irregularities committed in the matter of recruitments in National Aluminimum Company Limited (NALCO);

(b) if so, the details in this regard;

(c) whether it is also a fact that CBI had discontinued the said enquiry due to involvement of relative of senior officers of CBI in the matter of recruitments in NALCO;

(d) if so, the reasons therefor together with the details thereof; and

(e) the action taken by Government in his regard?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS): (a) to (e) Government have not entrusted any investigation into alleged irregularities in recruitment in National Aluminimum Co. Ltd. (NALCO) to CBI. CBI Bhubaneswar has informed that a source complaint had been examined by them and closed at their and since it did not warrant a C.B.I. probe. Government have also investigated the allegations about irregularities in recruitment in NALCO and have closed the case in consultation with Central Vigilance Commission after issuing 'warning' to one Director level officer in the company. Further on instructions issued by the Government NALCO has reviewed its Recruitment and Promotion Rules and has made suitable amendments to eliminate the scope for ad-hoc appointments in various cadres.

Financial Crisis in RSP

1666. MISS FRIDA TOPNO: Will the Minister of STEEL AND MINES be pleased to state

(a) whether Government are aware of the fact that Rourkela Steel Plant (RSP) after modernisation at the cost of Rs. 5000 crores is facing acute financial crisis and huge loss;